

THE A.W.  
MELLON

EDUCATIONAL  
AND  
CHARITABLE  
TRUST

Founded in 1930 by Andrew W.  
Mellon

A REPORT OF ITS WORK  
FOR THE YEAR 1967

## PITTSBURGH, PENNSYLVANIA 15219

efforts through grants to numerous public and private organizations devoted to planning, renewal, conservation, and cultural affairs.

In 1958, the Trustees decided to cease making appropriations and grants out of principal, to stabilize the principal of the Trust at approximately \$20,000,000, and to make future grants only out of income.

In carrying out its grant-making function, the Trust endeavors to apply certain principles and policies.

First, grants are concentrated in the Pittsburgh area. The Pittsburgh needs continue to grow so continuously and urgently that it has been necessary to confine recent grants more narrowly to the city itself.

Second, as early as 1950, the Trust emphasized that grants would not be made to institutions or programs which have a sound basis for support from the general public or from some segment of the public. Foundation grants account for only 9% of the nation's charitable budget and are necessarily limited. They cannot replace the need for broad support from the living community.

Third, grants are conceived as *enabling*. This is to say, they are intended to enable creative leadership in the community affairs of the Pittsburgh area to demonstrate and develop improved and more effective patterns of operation. Such innovative funds are seldom available from the normal sources upon which public and civic agencies depend.

Fourth, since 1959, the Trust's grant program has

placed  
emphasis on the following four fields:

EDUCATION: with special reference to the hu  
manities and liberal education,  
and to the quality of education  
for  
the talented in the public schools

THE ARTS: an interest in the fine arts,  
drama,  
music, architecture, poetry,  
and the  
cultural aspects of the  
CONSERVATION: the preservation of natural  
areas  
for the people in perpetuity;  
the  
streams and forests,  
strategic open  
PLANNING: those acts of civic  
forethought by  
which a community takes  
command  
of its own future, seizing its  
oppor

There follows a complete list of grants paid during  
1967,  
together with relevant financial statements and the  
invest  
ment portfolio as of December 31, 1967.

Since its establishment in 1930, the Trust has  
appropriated  
\$163,216,344 for philanthropic purposes.

THE A. W. MELLON  
EDUCATIONAL AND CHARITABLE  
TRUST

SUMMARY OF GRANTS

*January 1 to December 31, 1967*

PITTSBURGH PLAYHOUSE SCHOOL OF  
THE THEATER

Third and fourth payments under a 1966  
grant of \$450,000 for the support of a  
professional theater program

\$150,000

UNIVERSITY OF PITTSBURGH

Third payment under a 1965 grant of  
\$250,000 to increase the library collec-  
tions in the areas of the Andrew Mellon  
Professorship and Fellowship Program \$ 50,000

To the Graduate School of Public and  
International Affairs:

Fourth payment under a 1964 grant of  
\$125,000 to establish a series of West  
ern European Fellowships \$25,000

Fourth and final payment under a  
1964 grant of \$24,000 to the Institute  
of Local Government for a four-year  
program of extension education for  
local officials 6,000 31,000

For refurbishment of the English Class  
room 15,000

UNIVERSITY OF PITTSBURGH ( <i>continued</i> )	5 15,000
Eighth and final payment under a 1959 grant of \$400,000 to develop a Department of Preventive Medicine which would integrate preventive and comprehensive care concepts into all phases of the School of Medicine curriculum	10,000
Fourth payment under a 1964 grant of \$262,000 for the continuation of the search activities of Dr. R. A. McConnell in the field of psychological physics	6,000
Fifth and final payment under a 1961 grant of \$30,000 to support a cooperative lectureship between the British-American Associates and the University of Pittsburgh	2,000
Third and final payment under a 1965 grant of \$10,000 to subsidize the <i>American Philosophical Quarterly</i> for a period of three years to enable it to become self-supporting	\$100,000
THE PITTSBURGH SYMPHONY SOCIETY	
First payment under a 1966 grant of \$500,000 toward an Endowment Fund to be created to match the Ford Foundation grant of \$2,000,000	
Second payment under a 1966 grant of \$76,000 for operating expenses	
MOUNT MERCY COLLEGE	
Third and final payment under a 1964 grant of \$293,550 for a three-year development study	
CARNEGIE LIBRARY OF PITTSBURGH	
Payments under a 1966 grant of \$325,000 for the administration and operation of a Poetry Center	\$129,000
To the International Poetry Center for support of the publication of an Anthology of Modern Russian Poetry	
To the International Poetry Center to establish an Art Poster Fund	120,000
	\$ 5,000
[H]	65,000
	166,000



CARNEGIE INSTITUTE

For the 1967 Pittsburgh International  
Exhibition of Painting and Sculpture

\$ 50,000

METROPOLITAN PITTSBURGH

EDUCATIONAL TELEVISION STATION WQED

Final payment under a 1966 grant of  
\$100,000 toward a capital fund and de  
velopment project for the construction  
of a new building and for staff and pro  
gram development

50,00

WESTERN PENNSYLVANIA CONSERVANCY

0

Fifth and final payment under a 1963  
grant of \$135,000 toward a five-year

ex

tension of the program of administra  
tive development of a regional project  
of land acquisition, conservation edu  
cation, and planning

PITTSBURGH OPERA, INC.

For operating funds for the 1967-1968  
season

25,00  
0

UNIVERSITY OF PENNSYLVANIA

To the Foreign Policy Research Insti  
tute, first payment under a 1967 grant

of

\$75,000 for research in Atlantic Studies

25,00  
0

CHATHAM COLLEGE

Second payment under a 1966 grant of  
\$120,000 for the enrichment of the li  
brary by purchase of books and periodi  
cals

\$20,00  
0

For continuation of a program of sup  
port of a Pittsburgh Fund for Negro  
Students in cooperation with the Na  
tional Scholarship Service and Fund for  
Negro Students, New York, New York,  
and with the University of Pittsburgh  
and Carnegie Institute of Technology

1,000 21,000

ACTION-HOUSING, INC.

Fifth and final payment under a 1963  
grant of \$50,000 for the support of the  
Neighborhood Urban Extension Pro  
gram

10,0  
00



THE ATLANTIC COUNCIL OF THE UNITED STATES, INC. Second payment under a 1966 grant of \$25,000 for the benefit of the Atlantic Institute	
NATIONAL SCHOLARSHIP SERVICE AND FUND FOR NEGRO STUDENTS For scholarship aid	5 10,000
AMERICAN INSTITUTE OF PLANNERS PITTSBURGH REGIONAL CHAPTER For support of the National Conference of the Institute of Planners, held in Washington, D.C., in October, 1967	6,000
AMERICAN WIND SYMPHONY ORCHESTRA For operating expenses of the Orchestra for 1967	5,000
NEGRO EDUCATIONAL EMERGENCY DRIVE For scholarship funds	5,000
THE VANGUARD THEATER PROJECT For operating funds for the 1967-1968 season	5,000
ARTS AND CRAFTS CENTER OF THE CITY OF PITTSBURGH Third and final payment under a 1965 grant of \$24,000 for administrative staff salaries	5,000
CARNEGIE INSTITUTE OF TECHNOLOGY For continuation of a program of sup port of a Pittsburgh Fund for Negro Students in cooperation with the Na tional Scholarship Service and Fund for Negro Students, New York, New York, and with the University of Pitts burgh and Chatham College	4,000
NATIONAL GALLERY OF ART Second payment under a 1966 grant of \$9,000 for continuation of an art educa tion program in the Pittsburgh Public Schools	3,0 00
MISCELLANEOUS	3,00
<b>TOTAL</b>	0 15,0 \$848,4 50

# SUMMARY OF GRANTS

1967

	Unpaid <u>Jan. 1, 1967</u>	Appropriation	Payments	Unpaid <u>Dec. 31, 1967</u>
Education	\$ 845,000	\$113,836	\$359,28	\$
/Arts	1,251,00	79,350	446,350	884,000
EPlanning	1,400,30	30,35 <sup>8</sup>	16,81	1,413,
(Conservation	26,000	0	26,00	0
	<u>\$3,522.30°</u>	<u>\$223,544</u>	<u>\$848.45</u>	<u>\$2,864.</u>
			0	844

••\$599.55° minus \$32,550 rescinded in 1967

*1930-1967*

1930-1966

\$ 79,081,732

\$ 16,387,562

5,385,000

4,211,250

11,050,000

2,831,156

\$ 39,864,968 National Gallery of Art

\$ 12,896,829 University of Pittsburgh:  
Graduate School of Public Health  
School of Medicine

\$ 5><sup>1</sup>37>5°°

692,343 Her Health Center Grants

\$ 5,829,843 Andrew Mellon Professorships, etc.  
ter University Grants

\$ 4,189,866

\$ 2,171,865 Mellon Institute of Industrial  
Research

19°7 1930-1967

\$ 3,768,354 Atham College

3,199,643

2,079,270 Mellon Square Park

819,000

780,950 Other Grants:

725,188 Education

Arts

Planning

Conservation

Religion

Carnegie Institute of Technology:  
College of Fine Arts Endowment,  
War Relief

General Grants

[17]

3,260,541  
\$ 15,467,947

835,000

\$ 3,000 S 79,084,75

	\$
\$ 16,387,56	
15,000 5,400,00	
50,00 4,2H,25	
0 11,100,00	
\$129,75	\$
0 20 000*71	
\$ 3,85	\$
0 12,900,67	
\$ 4,50	\$
	696,84
	\$ 5,834,34
\$ 21,00	\$
\$ 0 4 210 86	
	\$
	2 171 00

\$204,036 \$ 3,972,39  
439,5° 3»639«H  
16,814 2,096,08  
26,000 845,00  
780,95.  
725,18!  
835.0a

3,260,54  
\$686,350 \$  
16,154,297  
\$848,450  
5160,351,50c

Total Payments	[18]	159,5°3'°5°	\$2,864,841
Unpaid Appropriations		\$ 3,522,300	\$163,216,3
Total Payments and		\$163,025,35	41
Unpaid	0		
Appropriations	[18)		



# FINANCIAL STATEMENTS

THE A. W. MELLON  
EDUCATIONAL AND CHARITABLE TRUST

*Balance Sheet as of December 31, 1967*

ASSETS

Cash	\$ 100,23
Purchased interest receivable	1,039
Investments (at fair values at dates of acquisition or at cost):	
United States Government obligations (quoted market value \$2,621,142)	\$2,757, 854
her bonds (quoted market value >5,427,288)	6,436,458
jmmmon stocks (quoted market value \$16,798,778)	9,766,303
Land and coal properties	<u>86,756</u>
Total investments	<u>19,047,471</u>
Prepaid expense	14,98!
	<u>\$19,17</u> <u>2,724</u>

PRINCIPAL

Appropriated for contributions	
Unappropriated balance	<u>16,307,880</u>
	<u>\$19,17</u> <u>2,724</u>

The quoted market value of securities at December 31, 1967 is \$5,886,493 in excess of the book carrying value.

Office equipment and furnishings with a cost value of \$33,125 became fully depreciated in 1962.

THE A. W. MELLON  
EDUCATIONAL AND CHARITABLE TRUST

*Statement of Income and Changes in Principal Account  
Year ended December 31, 1967*

Income:

Interest on United States Government	\$108,426
Interest on other bonds	321,164
Dividends	533»°9 <sup>6</sup>
Income from operations of real estate and coal properties	2,127
	<hr/> 964,813
Less—Investment and real estate expenses	<u>20,99<sup>6</sup></u>
Total income, less investment and real estate expenses	<hr/> S 943. <sup>817</sup>

General and administrative expenses:

Salaries	46,467
Provision for employees' pensions	33,°°8
Legal and accounting fees	3-95°
Travel and incidental expenses	4.256
Office rent and building expenses	9. <sup>8</sup> 36
Office supplies and expenses	6,892
Other services	1.294
	<hr/> 105,7

Net income for the year	838,1
Contributions made from income	<u>14</u> 848.4
Excess of contributions from income over net income for the year, charged to principal	<hr/> (10.3
Principal balance, January 1, 1967	18,655,812
Gain (net) on disposal of investments	<u>527.2</u> <sup>19</sup>
Principal balance, December 31, 1967	<u>\$19,172.724</u>

# THE A. W. MELLON EDUCATIONAL AND CHARITABLE TRUST

*Investments as of December 31, 1967*

FIXED INCOME SECURITIES	Face amount	Book value	d Quote marke
United States Government Obligations:			
Treasury Notes:	\$ 300,000	I 298,969	\$
5 <sup>1</sup> / <sub>4</sub> % due November 15, 1968	50,000	49,812	298,875
4 <sup>1</sup> / <sub>4</sub> % due February 15, 1972			47,000
Treasury Bonds:			
4%, due August 15, 1972	150,00	149,437	139,
4%, due August 15, 1973	0	197,781	594
3%, due November 15, 1974	200,00	295,500	183
4%, due August 15, 1992	0	288,938	,750
200,00			260
Federal National Mortgage Associa			
tion Participation Certificates:	500,00	500,000	500,
4.70%, due December 1, 1977	0	500,000	000
5.31% due June 23, 1981	500,00		457
Farmers Home Administration Notes,			
35-Year issue, 5 <sup>1</sup> / <sub>4</sub> %, due July 7, 2001	<u>477,51</u>	<u>477,51</u>	<u>477,</u>
	<u>7</u>	<u>7</u>	<u>517</u>
			52,621
Other Bonds:			
Railroad Equipment Trust			
Southern Pacific Company,	\$ 100,000	1 95,175	\$
4 <sup>1</sup> / <sub>4</sub> % January 1, 1971			
\$ 367,193			\$
	<u>448,500</u>		
\$ Missouri Pacific Railroad	\$ 500,000	<u>815,693"</u>	<u>378,500</u>
Company,			
4 1/4%, 1st Mtge., January 1,	400,00		
2005	0		
Virginia Railway Company			

Railroad:



# THE A. W. MELLON EDUCATIONAL AND CHARITABLE TRUST

## *Investments as of December 31, 1967*

### FIXED INCOME SECURITIES

	Face amount	Book value	Quoted market <u>value</u>
<hr/>			
•Other Bonds ( <i>Continued</i> ):			
Public Utility:			
South Carolina Electric & Gas			
Co.,			
November i, 1987	\$	\$	\$
Quebec Hydro Electric	410,000	410,000	35 <sup>8</sup> '258
5% Deb., February 15, 1988	203,00	199,44	161,9
British Columbia Electric Co.,	0	8	57
5 <sup>1</sup> / <sub>2</sub> %» <sup>1st</sup> Mtge., March 1, 1989	500,00	5 <sup>06</sup> .39i	415,0
General Telephone Co. of	0		00
5%, 1st Mtge., December 1,	300,00	300,92	239'2
1995	0	9	50
43%% Deb., June 1, 1998	300,00	3 <sup>01</sup> > <sup>87</sup>	235'5°
Public Service Electric & Gas Co.,	0	5	°
6% Deb., July 1, 1998	88,000	104,76	82,9
Southern Bell Telephone &		0	40
Telegraph Co.,			
4^4% Deb., September 1, 2000	300,000	303,60	<u>239.25°</u>
	\$2,101,0	0	<u>\$1.732.15</u>
	00	\$2,127,0	<u>5</u>
Industrial:		03	
5^4% Deb., December 1, 1977	\$ 200,000	\$	\$
Westinghouse Electric		216,088	179.750
\$y <sub>2</sub> % Deb., December 15, 1981	220,0	198,0	161,
American Brake Shoe Company,	00	00	700
414% Deb., February 1, 1982	200,0	205,7	156,
Sinclair Oil Corporation,	00	50	000
43%% Conv. Sub. Deb.,			
December 1, 1986 300,000		292,8	321,
		09	000

THE A. W. MELLON  
EDUCATIONAL AND CHARITABLE TRUST

*Investments as of December 31, 1967*

FIXED INCOME SECURITIES	<u>Face amount</u>	<u>Book value</u>	Quoted market value
Other Bonds ( <i>Continued</i> )			e
Industrial ( <i>Continued</i> )'			
Phillips Petroleum Company, 414 % Conv. Sub. Deb., February 15, 1987	\$ 150,000	\$ 153,408	\$
Gulf Oil Corporation, 5.35% Deb., June 15, 1991	300,00	300,00	26
	<u>\$1,370,000</u>	<u>\$1,366,05</u>	?
	5		b25 <sup>8</sup> .7 <sup>M</sup>
Finance:			
General Motors Acceptance Corp., 214% Deb., June 15, 1975	\$ 200,000	\$ 169,645	\$
Montgomery Ward Credit Corp., 514% Sub. Deb., February 1,	300,00	301,50	24
C.I.T. Financial Corporation, 454% Deb., May 1, 1989	300,00	297'75	22
Chase Manhattan Bank, 4.60% Capital Notes, June 1,	300,00	299-	23
FirstNational City Bank of New York,			
4% Conv. Capital Notes,	300,00	S^-	26
Household Finance Corporation, 4% Deb., September 15,	300,00	298,50	22
	<u>\$1,700,000</u>	<u>\$1,680,14</u>	<u>\$1,362,</u>
	5		895
Miscellaneous:			
Municipality of Metropolitan Toronto, 514% Deb., March 2, 1979 \$ 350,000		\$ 352.387	\$
	<u>\$6,521,000</u>	<u>\$6,436,45</u>	<u>\$5,427,</u>
	8		288

THE A. W. MELLON  
EDUCATIONAL AND CHARITABLE TRUST

*Investments as of December 31, 1967*

COMMON STOCKS	Share	Book value	Quoted market value
Electrical Equipment:			
Hewlett-Packard Company	12,00	3 453.458	\$
Westinghouse Electric Corporation	21,00	348,6	1,470.00
		<u>\$ 802,104</u>	<u>\$</u>
Public Utility:			
American Natural Gas Company	9.075	\$ 200,603	? 328,969
Central and South West Corporation	7,000	244.5	325.5
General Public Utilities Corporation	10,81	316,5	297.4
Ohio Edison Company	16,00	3 <sup>9</sup> 4.9	404,0
Public Service Electric & Gas Company	10,00	312,4	328,7
Virginia Electric & Power Company	6,000	159.2	261.7
		<u>\$</u>	<u>3</u>
		1 528 486	1 046 400
Oil:			
Gulf Oil Corporation	25,00	3 79.825	\$
			1 000 27
Bank and Finance:			
Bank of the Southwest, N. A.	4,830	\$ 203,202	\$
First National Bank of Boston	3,0	188,	164,
Mellon National Bank and Trust	5.1	298,0	334.
C. I. T. Financial Corporation	8,0	286,4	262,
Household Finance Corporation	14,00	244.	435.
Southeast Bancorporation, Inc.	4,000	120,	136,
Western Bancorporation	10,00	333.	280,
		<u>\$</u>	<u>3</u>
		1 672 794	1 772 240
Miscellaneous:			
General Foods Corporation	3,000	3 255,174	3
Motorola, Inc.	2,200	2394	257.
North American Rockwell Corporation	5,880	223,097	235.
J. C. Penney Company	3	196,015	197.
Time, Incorporated	4,0	413.	389.
Weyerhaeuser Company	8,000	318.	315,
		<u>\$</u>	<u>\$</u>
		1 645 810	1 602 22

THE A. W. MELLON  
EDUCATIONAL AND CHARITABLE TRUST

*Investments as of December 31, 1967*

COMMON STOCKS (Continued):			Quoted market value
	Shares	Book value	
Office Equipment:			
International Business Machines	1,366 \$	121,8	\$
National Cash Register Company	2,100	150,2	279,300
Xerox Corporation	1,400	416,970	42
	L	689,078	\$
Metals—Nonferrous:			
aluminum Company of America	10,000 \$	130,8	\$
International Nickel Company			
of Canada, Ltd.	5,000	459,457	58
	L	590,29.	3
Automobile and Truck:			
Ford Motor Company	8,000 \$	264,551	\$
General Motors Corporation	8,870	113,1	72
		377,743	3
Glass:			
Owens-Corning Fiberglas Corporation	4,000 \$	318,798	\$
Pittsburgh Plate Glass Company	10,200	186,5	66
	L	505,299	\$
Drug:			
Sterling Drug, Inc.	7,500 \$	299,592	3
G. D. Searle & Company	6,000	344,112	34
	L	643,704	3
Miscellaneous Equipment:			
Ex-Cell-O Corporation	14,000 \$	275,695	3
Steel:			
United States Steel Corporation	6,000 \$	315,460	3
Youngstown Sheet and Tube Company	6,000	144,9	18
	L	460,372	3

THE A. W. MELLON  
EDUCATIONAL AND CHARITABLE TRUST

*Investments as of December 31, 1967*

COMMON STOCKS <i>(Continued)</i> :	Shar	Book value	Quote d marke
Insurance:			
General Reinsurance Corporation	1,0	\$ 283,708	\$
Hartford Fire Insurance Company	5,1	133.875	116,662
		<u>\$ 417.583</u>	<u>\$</u>
Agricultural Equipment:			
Deere and Company	3,000	\$ 66,529	\$
		<u>\$</u>	<u>\$16,798,</u>
		<u>9 766 303</u>	<u>778</u>

SUMMARY

Fixed Income Securities:		
United States Government Obligations	\$	\$
Other Bonds	<u>6,436.4</u>	<u>5,427.6</u>
	\$	\$
Common Stocks	<u>9,766.</u>	<u>16,798.7</u>
	<u>\$18,960.</u>	<u>\$24,847.</u>
	715	208

**JLN OUR OPINION, the accompanying balance sheet and related statement of income and changes in principal account present fairly the financial position of The A. W. Mellon Educational and Charitable Trust at December 31, 1967 and its income and changes in principal account for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, including confirmation of the securities owned at December 31, 1967 by correspondence with the custodian.**

We have heretofore examined the accounts of the Trust for the period from its inception, December 30, 1930 to December 31, 1966, and have previously reported upon the financial statements annually during such period.

PRICE WATERHOUSE &  
CO.

Pittsburgh, Pa.  
March 13> 1968